REMARKS

The Office Action dated July 27, 2001 has been carefully reviewed.
Claims 1-20 are pending in this patent application. By this amendment, claim 1
has been amended, claims 2-3 have been canceled, and claims 21-32 have
been added. Reconsideration of this application, as amended, is respectfully
requested.

Amendment to Specification

The specification has been amended to update the cross reference data.
A version with markings showing changes made to the specification is included
herewith as "Attachment I".

35 U.S.C. § 102 (Mergenthaler)

Claims 1-5, 7, and 15-20 were rejected as being anticipated by
Mergenthaler (U.S. Patent No. 4,779,706). Claim 1 has been amended, and
claims 2 and 3 have been canceled. A version with markings showing changes
made to claim 1 is included herewith in "Attachment II". Reconsideration of
claims 1-5, 7, and 15-20 is respectfully requested.

Discussion Re: Patentability of Claim 1

Amended Claim 1 corresponds to claim 3 which has been canceled by
this Amendment. In other words, amended claim 1 contains the same limitations
as canceled claim 3.

Claim 1, as amended, reads as follows:

> 1. A method of providing security during operation of a self-service checkout terminal, comprising the steps of:
> creating a transaction table which includes a plurality of records corresponding respectively to a plurality of items entered into the checkout terminal during a checkout procedure;
> analyzing the plurality of records;
> generating a characteristic value in response to the analyzing step;
> comparing the characteristic value to a characteristic trigger point and generating a characteristic control signal in response thereto;
> updating an electronic log value based on the characteristic control signal; and
> comparing the log value to a log threshold and generating a personnel signal in response thereto.

Applicants' invention of amended claim 1 relates to updating an electronic log used for security in a retail terminal. In particular, Applicants' invention of amended claim 1 uses a unique parameter (i.e. a characteristic value) to determine when an electronic log used for security should be updated or otherwise incremented. The use of an electronic log used for security in a retail terminal is described in detail in Applicants' specification at page 15, line 23 through page 17, line 7.

Mergenthaler Does Not Disclose Each and Every Element of Applicants' Claim 1

Mergenthaler does not anticipate amended claim 1 because all of its claim limitations are not disclosed by Mergenthaler. For example, Mergenthaler does not disclose:

> comparing the characteristic value to a characteristic trigger point and generating a characteristic control signal in response thereto;

> updating an electronic log value based on the characteristic control signal; and

> comparing the log value to a log threshold and generating a personnel signal in response thereto.

In particular, while Mergenthaler discloses comparing a combined weight of the merchandise items with a previously generated combined weight, an electronic log value is *not* updated based on this occurrence and thus no such second comparing step is ever undertaken. Note that according to Applicants' claim 1, an electronic log value is updated based on the characteristic value being compared to the characteristic trigger point, and then this updated electronic log is compared to a log threshold, and a personnel signal is generated in response thereto. Such later feature is totally lacking in Mergenthaler. Indeed, Mergenthaler's system is not concerned with maintaining such an electronic log. Rather, Mergenthaler is merely trying to determine if a customer switched or added contents to a grocery bag after scanning or otherwise entering his/her items into the retail terminal and prior to paying for the scanned or entered items. Mergenthaler does this by a single step of comparing an actual weight with a theoretical weight which is drastically different in relation to Applicants' invention of amended claim 1.

It is axiomatic that anticipation of a claim under 35 U.S.C. § 102 is proper only if the prior art reference discloses each and every element of the claim. Mergenthaler does not disclose each and every element of Applicant's amended claim 1. Accordingly, Applicants' claim 1 is not anticipated by Mergenthaler.

Discussion Re: Patentability of Claims 4, 5, 7, and 15

Each of claims 4, 5, 7, and 15 depends directly from claim 1. As a result, each of claims 4, 5, 7, and 15 is allowable for the reasons hereinbefore discussed with regard to claim 1. Moreover, each of claims 4, 5, 7, and 15 recites further novel and nonobvious limitations. As a result, each of claims 4, 5, 7, and 15 is further allowable over the cited art.

For example, claim 4 further recites the following limitations:

> the analyzing step includes the step of calculating the number of identical records of a respective item contained in the plurality of records,
> the generating step includes the step of generating an identical item value in response to the calculating step, and
> the comparing step includes the step of comparing the identical item value to an identical item trigger point and generating an identical item control signal in response thereto.

The Examiner stated that these limitations are found in Mergenthaler at column 3, lines 36-45 (see 7/27/01 Office Action at page 3, lines 8-13). However, this passage does not disclose anything relating to "calculating *the number of identical records of a respective item* contained in the plurality of records." If the Examiner maintains this rejection after considering the remarks presented herein, Applicants respectfully request that the Examiner more specifically identify where each of the limitations of Applicants' claim 4 is found in Mergenthaler.

The above comments apply to claims 5 and 7. Accordingly, please identify where each of the limitations of Applicants' claims 5 and 7 are found in Mergenthaler. The locations identified by the Examiner simply do not disclose the claimed subject matter.

Discussion Re: Patentability of Claim 16

Claim 16 recites the following limitation:

> analyzing the plurality of records to determine the number of *identical records* of a respective item contained in the plurality of records. (Emphasis added.)

The Examiner stated that this limitation is disclosed in Mergenthaler at column 3, lines 37-44. This passage reads as follows:

> The data representing the weight generated by the scale member 27 and the identification data generated by the scanning mechanism 35 are transmitted over a cable 64 from the processing device 29 to the processor 52 which compares the weight of the merchandise item scanned with the weight stored in the memory unit 54 associated with the item, using the identification data read from the label.

However, it is clear that this passage of Mergenthaler does not disclose the claimed analyzing step. It is axiomatic that anticipation of a claim under 35 U.S.C. § 102 is proper only if the prior art reference discloses each and every element of the claim. Mergenthaler does not disclose each and every element of Applicant's claim 16. Accordingly, Applicants' claim 16 is not anticipated by Mergenthaler.

If the Examiner maintains this rejection after considering the remarks presented herein, Applicants respectfully request that the Examiner identify where each of the limitations of Applicants' claim 16 is found in Mergenthaler.

Discussion Re: Patentability of Claim 17

Claim 17 depends directly from claim 16. As a result, claim 17 is allowable for the reasons hereinbefore discussed with regard to claim 16. Moreover, claim 17 recites further novel and nonobvious limitations. As a result, claim 17 is further allowable over the cited art. For example, while Mergenthaler discloses comparing a combined weight of the merchandise items with a previously generated combined weight, an electronic log value is *not* updated based on this occurrence and thus no such second comparing step is ever undertaken. Accordingly, claim 17 is further allowable over Mergenthaler.

Discussion Re: Patentability of Claim 18

Claim 18 depends directly from claim 16. As a result, claim 18 is allowable for the reasons hereinbefore discussed with regard to claim 16. Moreover, claim 18 recites further novel and nonobvious limitations. As a result, claim 18 is further allowable over the cited art. For example, claim 18 recites:

> analyzing the plurality of records to determine the average dollar amount of the items contained in the plurality of records;
> generating an average item value in response to the analyzing step; and
> comparing the average item value to an average item trigger point and generating an average item control signal in response thereto.

The Examiner stated that this limitation is disclosed in Mergenthaler at column 4, line 41-45. However, the passage at column 4, lines 37-49 reads as follows:

> If the transmitted combined weight associated with the bag number is within a predetermined value, such as 0.02 pounds, of the combined weight generated at the scanning station, and the items and prices associated with the bag number have been validated with the data stored in the processor 52, the checkout operation is completed by the displaying of the total price, of the merchandise items purchased in the display 48 of the terminal device 44, the issuance of a receipt by the printer 50 listing the items purchased and their price together with the total price, and the paying of the required amount by the customer.

However, it is clear that this passage of Mergenthaler does not disclose the claimed analyzing step which determines the *average dollar amount* of the items. No average dollar amount is ever determined in Mergenthaler. It is axiomatic that anticipation of a claim under 35 U.S.C. § 102 is proper only if the prior art reference discloses each and every element of the claim. Mergenthaler does not disclose each and every element of Applicant's claim 18. Accordingly, Applicants' claim 18 is not anticipated by Mergenthaler.

If the Examiner maintains this rejection after considering the remarks presented herein, Applicants respectfully request that the Examiner identify where each of the limitations of Applicants' claim 18 is found in Mergenthaler.

Discussion Re: Patentability of Claim 19

Claim 19 recites the following limitation:

> analyzing the plurality of records to determine the *average dollar amount* of the items contained in the plurality of records. (Emphasis added.)

Mergenthaler does not disclose this limitation. (See e.g. the discussion relating to the patentability of claim 18.) Accordingly, claim 19 is not anticipated by Mergenthaler.

Discussion Re: Patentability of Claim 20

Claim 20 depends directly from claim 19. As a result, claim 20 is allowable for the reasons hereinbefore discussed with regard to claim 19. Moreover, claim 20 recites further novel and nonobvious limitations. As a result, claim 20 is further allowable over the cited art. (See e.g. the discussion relating to the patentability of amended claim 1.)

35 U.S.C. § 103 (Mergenthaler/Official Notice)

Claims 6 and 8-14 were rejected as being unpatentable over Mergenthaler (U.S. Patent No. 4,779,706) in view of Official Notice taken by Examiner. Reconsideration of claims 6 and 8-14 is respectfully requested.

Each of claims 6 and 8-14 depends directly from claim 1. As a result, each of claims 6 and 8-14 is allowable for the reasons hereinbefore discussed with regard to claim 1. Moreover, each of claims 6 and 8-14 recites further novel and nonobvious limitations. As a result, each of claims 6 and 8-14 is further allowable over the cited art.

At various locations in the 7/27/01 Office Action, the Examiner stated that "Official Notice is taken that [the respective] feature is well known." If the Examiner considers each of the identified teachings "common knowledge in the art or well known prior art" under MPEP 4144.03, Applicant traverses such assertion in each case. And Applicants respectfully request that the Examiner cite a reference in support of his position for each instance in the 7/27/01 Office Action for which facts are alleged to be common knowledge in the art or well known prior art.
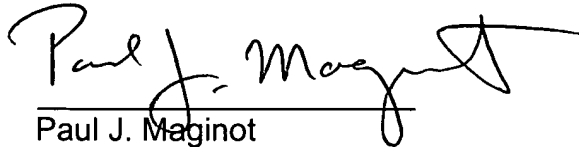
Newly Added Claims 21-32

Claims 21-32 have been added. Such claims recite novel and nonobvious limitations. Accordingly, claims 21-32 are believed to be allowable over the prior art.

Conclusion

In view of the foregoing amendments and remarks, it is submitted that this application is in condition for allowance. Action to that end is hereby solicited.

Respectfully submitted,

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Version With Markings to Show Changes Made to Specification

<u>In the Specification</u>

Please delete the portion of the specification starting at page 1, line 9 with

the phrase "<u>Cross Reference</u>" and ending at page 1, line 14 with the word

"herewith." and substitute the following in its place:

--**Cross Reference**

Cross reference is made to copending U.S. patent application Ser. No.

09/020,056, entitled "Self-Service Checkout Terminal" by Stephen Swaine, Ali

Vassigh, and Grant Paton, which is assigned to the same assignee as the

present invention, and which is filed concurrently herewith.--.

Version With Markings to Show Changes Made to Claims

<u>In the Claims</u>

Please cancel claims 2 and 3.

Please amend claim 1 as follows:

1. (amended) A method of providing security during operation of a self-service checkout terminal, comprising the steps of:

creating a transaction table which includes a plurality of records corresponding respectively to a plurality of items entered into the checkout terminal during a checkout procedure;

analyzing the plurality of records;

generating a characteristic value in response to the analyzing step; [and]

comparing the characteristic value to a characteristic trigger point and generating a characteristic control signal in response thereto<u>;</u>

<u>updating an electronic log value based on the characteristic control signal;</u> <u>and</u>

<u>comparing the log value to a log threshold and generating a personnel signal in response thereto</u>.